the comments of the gentleman from Michigan (Mr. SMITH).

PAYING FUTURE BENEFITS

The SPEAKER pro tempore (Mr. MARIO DIAZ-BALART of Florida). Under the Speaker's announced policy of January 7, 2003, the gentleman from Michigan (Mr. SMITH) is recognized for 60 minutes as the designee of the majority leader.

Mr. SMITH of Michigan. Mr. Speaker, the challenge is unending, and one thing I am nervous about in terms of Washington sometime in the future is paying the Social Security benefits, the Medicare and Medicaid benefits that we have promised, because what we have done over the last 30 years is promise more than we have money to pay for in those promises for Social Security and Medicare and Medicaid.

In the next 2 days, we are going to take up the budget. There has been a compromise reached between the House and the Senate for a budget resolution, and that is how we plan to spend our appropriations and money for the 2005 fiscal year which starts the end of September 2004 and goes through 2005.

We spend most of the year or a lot of the year dealing with the appropriations bills that are discretionary, so-called discretionary. A little less than half of the appropriations total spending of the Federal Government is discretionary spending, a little more than half of the total government spending is entitlement spending.

I started out with a pie chart showing how we are spending money in the 2004 year, this year, about $2.2 trillion dollars; and as Members see by this pie chart, the largest piece of this pie of Federal spending is Social Security. The Federal Government will spend about $500 billion on Social Security this year in 2004.

Interest, as we go around the pie chart, interest is at 14 percent of total spending. That is about $300 billion that we are paying in interest.

As we have heard over the last several days, interest rates are going up. I suspect Mr. Greenspan and the Federal Reserve are going to decide to increase the discount rate, increase the interest rate, and so we can expect to see interest rates go up. At the same time, we are increasing the total debt that we have to pay interest on, and that means that this 14 percent over the next 15 to 20 years can go to 25 percent, instead of 25 percent of the total budget paid in interest on the debt. So it should concern us.

Actually, what we are doing, and I am a farmer from Michigan, and on the farm we try to pay down the mortgage of the farm so our kids will have a little better chance and a little better success in their living standards maybe than their parents, but in this Chamber and in the Senate and in the White House over the last 30–40 years, what we are doing is increasing the debt that we are passing on to our kids.

Defense spending, 19 percent last year and now 20 percent; domestic discretionary spending, 16 percent; other entitlement spending, 10 percent; Medicaid, 6 percent, growing very quickly; Medicare, 12 percent. Medicare is projected to overtake the size of the total pie in the next 20 years.

Medicare will overtake Social Security in the next 15–20 years. So what that means in terms of entitlement spending, if you reach a certain age, you are entitled to Medicare benefits; if you are at a certain level of poverty, you can get food stamps. If you are a certain age, also you get Social Security, if you are at a certain poverty level, you can get Medicaid.

Medicaid is the medical coverage for low income; Medicare is the government's health care program for seniors.

This chart, a very colorful chart, shows what is happening to the increase in spending of entitlement programs, increasing at about 5.5 percent a year. So total Federal Government is growing two and three and, in 1 year, almost four times the rate of inflation.

A lot of that problem is the increased cost of entitlement spending. Of course, the question is, will this Chamber have the intestinal fortitude, along with the Senate and the White House, will this Chamber have the intestinal fortitude to control spending? Will we have the willingness to cut down on some of the increase in discretionary spending?

Today in my office, like I suspect in other Members' offices, there were people suggesting there was a need for more government spending. We heard in the previous hour that government should spend more, and it was unfair for the government not to spend more on different programs. The situation that this country is facing is an increased demand for Federal spending matched with a situation where 50 percent of the adult population in this country paid less than 1 percent of the income tax. Think about it.

We have now divided the wealth through government programs and taxation to the extent where 50 percent of the adult population in this country pay 1 percent of the income tax.

□ 2200

So we can understand why some people are saying give us more government, it does not cost us much.

Look at this next chart on what we have done in what I call unfunded liabilities, the promises that we have made in excess of what money we have to pay for them. On the top line we have got Medicare part A as an unfunded liability of $21.8 trillion.

Let me stop here and give my definition of unfunded liability. Unfunded liability is today's dollars that we would have to put in a savings account that is going to earn the rate of inflation plus the time value of money. This is the money we would have to put in an account today to accommodate the needs of these programs over the next 75 years: Medicare part A, $21.8 trillion; Medicare part B, $23.2 trillion; Medicare part D, the drug program that we just passed recently. Will we have the willingness to reduce these other programs? We did not have the willingness not to increase the prescription drug program. So what we are borrowing from our kids is $16.6 trillion of unfunded liabilities, that we have, in effect, decided that our problems are so great today that it justifies taking that money away from our kids, suggesting that maybe they are not going to have their own problems to deal with, but we are leaving them this unfunded liability in addition to a huge debt. It totals up to $73.5 trillion, unimaginable in terms of what we are leaving as far as a legacy to our kids and our grandkids.

This is another chart that says it in a different way. If we are going to accommodate Medicare, Medicaid, and Social Security and take the money out of the general fund to pay for the money that is going to be needed for these programs over and above what is coming in from the FICA tax, what is coming in from the taxes to pay for these programs, by 2020, in 16 years, it is going to be 28 percent of the budget that is required to make up the difference between the money coming in for Social Security and Medicare and Medicaid and the additional money that is going to be needed. Simply, by 2030 it is going to take 52 percent of the general fund budget to accommodate these programs.

We know we cannot do that. Is that going to mean a drastic reduction of some of these programs? Is it going to mean a drastic increase in what we are going to have to borrow in future years? The challenge now before us is we are increasing debt at the same time that interest rates are going up. So as the Members recall, the pie chart today, spending $300 billion a year, 14 percent of the total Federal spending on interest costs, that could double in the next 20 years.

This is a quick snapshot of the red and the green, if you will, of what is happening in Social Security. In 1983 the Greenspan Commission dramatically increased Social Security taxes and at the same time dramatically reduced benefits. But even so, the short-time surplus coming in is going to run out in 2017, and then we are looking at a future of huge deficits that somehow is going to have to be made up if we are going to continue this program.

As I go around my southern district of Michigan, a lot of people wonder more exactly how Social Security works. This is just a very brief way of how this highly progressive program started. We started it in 1934; and at that time, the provisions were that once people reached 65, they were entitled to benefits and they would have to pay in all those years. But in a pay-as-you-go program, we found out that the money coming in from Social Security was very ample and that most people died before they reached the age of 65. So another way to say that is most people paid in their benefits but never collected much of anything and the program worked very well.

From the beginning program, the benefits have been highly progressive and based on earnings. At retirement all of the workers' wages up to the tax ceiling are indexed to present value using wage inflation. Let me say that a different way. If one had a $20,000 job 15 years ago, that $20,000 job today might be $40,000 with wage inflation. So Social Security puts down $40,000 income for that $20,000 job they were earning maybe 16 years ago. So everything is indexed based on what that kind of job would pay today. And then they take the best 35 years of earnings and average them together and decide what that person's benefits are going to be. So they take the best 35 years. Maybe they did not work 5 years. So 5 years would be entered as zero, and then they would take the 30 years of pay and divide by 35. So, in effect, if they did not have those working years, they would be indexed as zero. If someone works 40 years, then they would take the best 35 years.

The annual benefit for those retiring in 2004, this is where it is progressive in terms of the payout: 90 percent of earnings up to $7,344; 32 percent of the earnings between that amount, $7,344 and $44,268; and then 15 percent of the earnings above $44,268. Early retirees receive adjusted benefits.

A question that is often asked on complaints of abuses for SSI of families down the road is that maybe some people think they do not deserve the supplemental security income, and people are concerned that this comes out of Social Security. Actually it does not come out of Social Security. SSI comes out of the general fund even though it is administered by the Social Security Administration.

Going back up to this 15 percent of earnings above $44,268, one way that I have structured my legislation that results in solvency for Social Security is I add another ben point of 5 percent. That has the effect, Mr. Speaker, of slowing down the increase in benefits for high-income retirees. So it is going to cost money. Either we reduce benefits or we increase the income. I do a little of both in my legislation. But one way I do it, breaking off from this chart, is I add another ben point of 5 percent that has the result of slowing down the increase in benefits for the high-income retirees.

We have talked a lot about personal savings accounts. The Democrats and a lot of the news media refer to it as privatization of Social Security. Let me just say, Mr. Speaker, that there is no legislation that privatizes Social Security. The most that any of the legislation that I have seen does is take a portion of what people are paying in for Social Security, 12.4 percent of earnings, and my bill is as high I think as any legislation I have seen, and what I do in my legislation is take 2.5 percent of earnings and allow that amount or that percentage of one's earnings to go into one's own individual retirement account that becomes their property, that unlike Social Security, if one dies, they can pass it on to their heirs. It is part of their estate.

When Franklin Roosevelt created Social Security back in 1933 and 1934, he wanted to feature a private sector component to build retirement income. I mean, this was a time after the Depression with people going to the poor house, and the Congress and the White House and FDR said, look, there is a better way. Let us have a law that forces savings while people are working to make sure they save some of that money to increase or guarantee a little bit more of Social Security so they do not have to go over the hill to the poor house when they retire. So we passed that law and said here is mandated savings. But Franklin Roosevelt said let us do it in privately owned accounts and simply say they have got to set aside this much of their earnings, they cannot take it out until they retire.

In fact, when the Senate passed their Social Security bill in 1933, they said let us do it the way the President suggested and have private savings accounts owned by the individual with limitations on where they could invest the money, but it was owned by the worker. This House passed a bill that said, no, let us have the Federal Government take it all in and pay it out when these people retired, and we will have a system where people that are working pay in their money today and that way we can start paying benefits out right away.

So we charged workers to pay into the Social Security, and immediately we started paying benefits to senior citizens, older people. So that was very good for some of those older people to immediately receive that benefit, but what it does on this kind of a pay-as-you-go program is it depends on more and more workers paying in more and more of their earnings into Social Security taxes to accommodate a growing senior population.

Now we are faced with 78 million baby boomers that are going to begin retiring in another 4 years. That means 78 million individuals that are at the height of their earnings, paying in maximum Social Security benefits, and are going to be going on to the system, taking out maximum benefits. And that is where the demographics start hitting us.

The Social Security actuaries last month suggested that we are in a very bad situation in terms of the insolvency of Social Security with an unfunded liability of $12 trillion for Social Security, that we would have to put that $12 trillion in a savings account today to accommodate the additional money that is going to be needed over and above what is coming in payroll taxes, FICA taxes.

Social Security spending exceeds tax revenues in 2017, is what the actuaries said. The Social Security trust fund goes broke in 2037. That is a little bit of a pretend figure because when we really run out of money in 2017, this government, this Congress, House and Senate and the White House, have already spent all of the extra money coming in from Social Security. They spent it on other programs. So there has never been a savings account with any individual worker's name on it. In fact, Mr. Speaker, what really should concern all of the people, the electors in this country, is that they are not entitled to any Social Security benefits. The Supreme Court now in two rulings has said that Social Security taxes are simply another tax, Social Security benefits are simply another benefit, and there is not an entitlement just because one pays Social Security taxes all their life.

Insolvency of Social Security is certain. We know how many people there are and when they are going to retire. We know that people will live longer in retirement. We know how much they are going to pay in and how much they will take out. Payroll taxes will not cover benefits starting in 2017, and the shortfalls will add up to $120 trillion between 2017 and 2075. $120 trillion between 2017 and 2075, and the one way to define unfunded liability is how much money would have to go in a savings account today to accommodate that $120 trillion; and what that is, is about $12 trillion today in a savings account that is at least going to draw the interest at the rate of inflation and a time value for the money.

□ 2215

On the demographics, here is what happened as to how many people are working, paying in their Social Security tax. In 1940, there were 28 people working and paying in their Social Security tax for every one retiree. In 2000, three people were working in the United States paying in their Social Security tax for every one retiree. The estimate by the actuaries at Social Security is that in 2025 there will only be two people working paying in their Social Security tax. That means, again, we are faced with a dilemma of not having enough money and possibly increasing taxes.

The Social Security trust fund, I was Chairman of the bipartisan Social Security Task Force. In fact, when the Democrats and Republicans met for about a year hearing witnesses and understanding the dilemma of what Social Security is facing, what we found out is we had unanimous agreement that we have got to do something to fix Social Security, and the longer we put off a decision, the more drastic the solution is going to have to be.

This chart reacts to what a lot of people have asked me, that if government would just keep their hands off the surplus coming in for Social Security and pay back what we borrowed, everything would be all right.

The little stack on the left represents what is in the trust fund, including the interest that has accumulated by IOUs of what government has, and I put it in quotes, ''borrowed'' from the trust fund. That is $1.4 billion that the government owes the trust fund to pay back what it has borrowed and spent on other programs. But the shortfall in Social Security, $120 trillion in future dollars, $12 trillion today, is what is needed to accommodate and keep Social Security solvent.

There needs to be a fix. It is unconscionable that we simply tend to look the other way and not face up to the problem of Social Security.

In campaigns, I have been in Congress for the last 12 years and I started my first Social Security bill in 1993 when I first came to Congress. In that first election, and every election, there has been the charge by my opponent that ''Nick Smith wants to take away your Social Security.''

It is sort of effective, because so many of our seniors today depend on Social Security for their livelihood that it scares the dickens out of them to think that maybe somebody is messing around with the program and is going to take away their Social Security benefits. So politically, some people call it the third rail of politics, it has been difficult for politicians to try to explain the program.

In the 8 years of the Clinton administration, President Clinton originally was dedicated to doing something to fix Social Security. Because once you talk to the people that understand the program, that know its insolvency and know the hugeness, the dramatic trillions of dollars that are needed to fix this program and the importance of this program to so many seniors, President Clinton wanted to fix it.

He had several task forces. I served on those task forces. I went to the White House. We talked about the problems with Social Security. But it ended up that the President and most of the Members of the House and most of the Members of the Senate did not want to talk about it. ''Let us put it off until the next election.''

President Bush was brave in the campaign, and he talked about it. Senator LINDSEY GRAHAM and others, including myself, every year talked about the need to fix Social Security. So we are coming closer. There is a greater understanding by more and more people that there needs to be something done to save this program.

So I call, Mr. Speaker, on voters in this election coming up this year to size up your Congressional candidate. Ask them which Social Security bill that they have cosponsored is going to save Social Security. And do not let them get by with this rhetoric that, ''Look, I am going to do everything necessary to save Social Security.'' You need a plan, you need action, you need forward, in-advance thinking. It cannot be a crash program. It has to be gradual.

What I have learned over the last 12 years, and I have introduced this Social Security bill every 2-year session over the last six sessions, every 2 years it had to be a little more dramatic in terms of reaching solvency, because you have lost the surplus over those past years that has been coming in.

As we said, Social Security has a total unfunded liability of over $12 trillion. The Social Security trust fund contains nothing but IOUs. To keep paying promised Social Security benefits, the payroll tax will have to be increased by nearly 50 percent or benefits will have to be cut by 30 percent, and we do not want that to happen.

Here is another chart that I made up trying to show that Social Security is not a good investment. The average retiree gets a return on the money that they have sent in for Social Security of 1.7 percent on that investment.

If you happen to be a minority, a young black man that dies on the average at age 62, as we originally started back in the 1934–35–36 period, you did not live quite long enough to draw benefits. So there is actually a negative return for minorities.

The average return is 1.7 percent. I put in this column, it is representing the Wilshire 5000, and if you were invested in that index of stocks over the last 10 years what you earned is 11.86 percent after inflation, over the decade ending January 31, 2004.

So that is why in my bill we can guarantee if you decide to go into a retirement savings account, where 2.5 percent of your earnings is transferred by government into an account owned by you and managed by the government, with limited investments, we can guarantee, if you choose that option, you will get as good or better a return than you would staying under the Social Security traditional program. But we still leave it optional in my bill, that you can stay with the current Social Security program if you want to.

Another way of saying it is not a good investment, if you retired in 1980, you had to live 4 years after retirement to break even. If you retire next year, in 2005, you have to live 23 years after retirement to break even, collecting those Social Security benefits. After that, it goes up to 26 years that you have got to live after retirement to break even on your Social Security.

The next charts, please.

Our pages are so great. They are going to finish up I think in 2 weeks. These are the full-year pages. They get up about 5:30 every morning, if they want to eat something before they go to school, and then they are ready to work for Members of Congress and the U.S. House of Representatives. There are also pages in the Senate.

Back to Social Security.

Mr. Speaker, 76 percent of families pay more in payroll taxes than income taxes. I say that and I show that because I think it would be very unfair to say that we are going to solve Social Security by again raising the payroll tax. Of course, that is what we have done over the years.

Every time we have run out of money, because what we have done over the years too is continued to increase benefits. Actually, Medicare in 1965 was an amendment to the Social Security bill, to add Medicare privileges or health care coverage for seniors. So we have continually increased the benefits in Social Security, and in so doing we have simply increased the taxes to pay for those extra benefits and the increased costs.

In 1940, we increased from 1 percent to 2 percent the rate on the first $3,000 as the total maximum payment of taxes. The maximum was $60 dollars. In 1960, we tripled it and raised it to 6 percent and increased the base to the first $4,800. In 1980, it was over 10 percent of the first $26,000. By 2000, we raised it to 12.4 percent of the first $76,000. Today, in 2004, it is 12.4 percent of actually now $89,000.

So we have continued to increase taxes to cover benefits, in a situation where the birth rate has gone down, so there are fewer workers in relation to an increased number of seniors, because seniors, number one, are living longer.

In the Social Security Task Force, the bipartisan Social Security Task Force that I chaired, we had medical futurists suggesting that within 20 years, anybody that wanted to live to be 100 would have the medical technology to allow them to be 100 years old, and within the next 30 years, anybody that wanted to live to be 120 years old, it was their projection that people could live to be 120 years old. Of course, that means a tremendous increase in the amount that the would be paid out from Social Security compared to the amount coming in to Social Security.

These are six principles that I thought were reasonable in developing any Social Security changes to keep it solvent: Protect current and future beneficiaries; allow freedom of choice; preserve the safety net.

What I do in my bill is I leave half of the money in the trust fund and only use half of the money in the trust fund to accommodate the transition to personal savings accounts.

What I think we also have to do is make Americans better off, and not worse off. That means, to me, in addition to some other provisions of a Social Security bill, that we do not solve it by increasing taxes; that we do not simply say, well, we will increase taxes on the rich.

Some people have suggested, well, why not make Social Security into a welfare program and only pay out Social Security benefits to people that really need it? It is interesting, both Democrats and Republicans, labor unions and others have said, well, that is going to take away the support for Social Security, because, now in America we have a system where you can start out poor and end up one of the richest people in the country.

We have a system where saving a little bit early on and continuously, with the magic of compound interest, can make an average-earning individual the equivalent of a millionaire when they retire. So my suggestion to parents and grandparents and to young people is to encourage that savings in young workers, because if they save now, it can secure their retirement, and who knows what future Congresses are going to do to Social Security in terms of cutting benefits, if we continue to put off the solution to this problem?

Lastly, it creates a fully-funded system and no tax increases.

I am going to just briefly run through, Mr. Speaker, my Social Security bill.

The Social Security trust fund voluntary accounts would start at 2.5 percent of your earnings and would reach 8 percent of income by 2075. In every case, the benefits you would receive would be more than if you stay with the current Social Security system. Investments would be safe, widely diversified, and investment providers would be subject to government oversight. The government would supplement the accounts of workers' earnings that earn less than $35,000.

Actually, this was a suggestion, I think it was maybe the Golden Savings Account that President Clinton suggested, where we start putting in a little extra money for low income workers in their savings accounts so that the magic of compound interest can increase the benefits for them. So that is what I do in my bill. I say that workers earning less than $35,000 would have additional money put into their personal retirement accounts to ensure that they build up significant savings for retirement.

My bill has been scored by the Social Security Administration actuaries to restore long-term solvency to Social Security. As I mentioned earlier, all of my bills that I have introduced have been scored to make Social Security solvent.

What I am concerned about, and what I am nervous about, and this is my last year in Congress, is that the tendency is going to maybe just to go a little ways in terms of solving the problem, and to put off what is needed for a long-term solution until later on.

□ 2230

And so we mess around with the edges a little bit and we say, well, this means that we are not going to face the real dilemma, the real problem, the real catastrophe for another 10 years. So let us fix it a little bit. I think that would be a huge mistake. In my bill, no increases in the retirement age. No changes in the COLA; that is the annual increase based on inflation that is given. And no changes in benefits for seniors or near-term seniors.

Solvency is achieved through higher returns from worker accounts and slowing the increase in benefits for the highest earning retirees. On worker accounts, accounts are voluntary and participants would receive benefits directly from the government along with their accounts. So you still have Social Security. It is not privatizing Social Security. There is still a structure for Social Security. In fact, this bill does nothing with the insurance provisions of the Social Security legislation. So the disability insurance, the accident insurance is still totally a government insurance program ensuring workers that if they get hurt on the job and they are eligible under Social Security, they will get disability benefits under Social Security until they reach the age of 62 or 65.

Government benefits would be offset based on the money in their account, not on the money earned. In other words, if you earn more than the 1.7 percent, you can be guaranteed that you are going to have benefits that exceed current Social Security. Workers could expect to earn more from their accounts than from the traditional Social Security. And, again, as I mentioned earlier in my bill, we guarantee that the benefits that you earn, if you take the option of a personally owned account, the benefits that you earn would be greater than staying in the traditional Social Security.

All workers accounts would be earned by the work and invested through pools supervised by the government. Regulations would be instituted to prevent people from taking undue risk in investments, and workers have to have a choice of three safe indexed funds to start with, with more option after their balance reaches $2,500. Not so tough, right? Not so tough. We can do it. And this is scored by the Social Security Administration to keep Social Security solvent.

Here is a provision that I call ''fairness for women.'' It might not be politically correct. Maybe I should say fairness for spouses, but what I provide in my legislation for married couples, account contributions would be pooled and then divided equally between husband and wife. In other words, Mr. Speaker, the man and the wife each would have their separately owned accounts and they would have identical amounts of money. So if one spouse is earning 80,000 and the other spouse is earning 10,000, you would add those together and each spouse would be credited based on 2.5 percent that increases every year of that 45,000. So man and wife would have the same money going into their each separately owned accounts.

It would increase surviving spouse benefits to 110 percent of the higher earning spouse's benefits. So if your husband dies and he has the higher Social Security benefit, my legislation provides that the continuing Social Security check would be 110 percent of the highest Social Security benefit received by either the husband or wife.

I do this because a tremendous increase in cost of the government is nursing homes. At roughly $50,000 a year for nursing home costs, people that assume that they were going to die at 80 or 85 now are living to 90 or 95. They run out of their savings and when they do that, they have no estate and they end up taking the Medicaid provisions that are for low income, or in this case non-income, that have now spent all their money. But if we can encourage these people to stay in their homes longer rather than going into the expensive nursing homes, it is going to reduce the overall cost for government. That is why I increased the amount from 100 percent to 110 percent to encourage staying in your own home after one spouse dies.

The third provision is stay-at-home mothers with kids under five would receive retirement credit. I mean, they are probably working harder quite often than maybe their husband's work or the other way around, whoever stays home. But to encourage a parent to stay home with those young kids, I put a provision in where they are going to earn credits for those years that they stay home with kids under five years old up to a certain limit.

Here is some additional provisions that I put in my legislation to encourage additional savings. Increased contribution limits for IRAs and 401(k)s and pension benefits, so I increased that; a 33 percent tax credit for purchases of long-term care insurance up to $1,000 a year, $2,000 for a couple; low-income seniors would be eligible for $1,000 tax credit for expenses related to living in their own home and that is in addition to the 110 percent of Social Security benefits, and households caring for dependent parents would also be eligible for $1,000 credit for expenses.

Social Security at $12 trillion unfunded liability is what we have not been willing to deal with; and yet that is the lowest of the insolvency figures. Again, the insolvency of Social Security is $12 trillion going into an investment fund today; but for the rest of Medicare and Medicaid, it is an additional $60 trillion that would have to go into a fund.

So Social Security is what I have been working on, but we are going to also have to deal with Medicare and Medicaid provisions to somehow encourage logical, good decisions reducing the cost of health care.

The whole thing of our future in America, we are a country that was originally created under our Constitution to have the kind of incentive that provides the people that work hard and save hard and go to school and use their education are better off than those who do not. But over the last 30 years we have sort of evolved into a divide-the-wealth philosophy where today 50 percent of the adult population pays about 1 percent of the income tax and the other 50 percent pays 99 percent of the income tax. So more and more people are electing legislators that promise them more government benefits and that is the danger.

This is the 195th birthday of Abraham Lincoln. And he said in his famous

Gettysburg address, Can a nation of the people and for the people long survive. At least he implied that. I think it can, but I think it is going to take some leadership, some willingness to face up to some of these challenges, less partisanship, more bipartisan cooperation in terms of trying to solve and deal with some of these problems that are facing this country.

We have got to have the kind of education, we have got to give education the kind of priority it needs. We have got to continue to invest in research to make sure that we develop the kinds of products and an efficient way to produce products that the world wants to buy to make sure that we continue to be competitive in this country.

We are the greatest country on Earth, militarily, economically; but now we are moving into a dangerous situation where we are overspending every year, going deeper into debt, where we are making promises that our kids and our grandkids are going to find very difficult to pay for. And so the challenge is not just in our Republic, with Members of Congress. The challenge is also in this election year and every election year to size up the candidates that you think are going to be willing to make the tough decisions, to solve some challenges that this country is facing.

With that, Mr. Speaker, I would ask all of my colleagues to examine the Social Security bills that have been introduced, to consider sponsoring some of that legislation or writing their own legislation to solve and keep Social Security solvent.

30-SOMETHING DEMOCRATS

The SPEAKER pro tempore (Mr. CARTER). Under the Speaker's announced policy of January 7, 2003, the gentleman from Florida (Mr. MEEK) is recognized for 60 minutes.

Mr. MEEK of Florida. Mr. Speaker, once again it is a pleasure to come before the Members of the House and the American people to talk about issues that are facing all Americans.

As you know, week after week we come to the floor, the gentleman from Ohio (Mr. RYAN) and myself and other members of the 30-something Group to talk about things that are facing young Americans, which also I think have a lot to do with the bottom line of American families, as they start to work on their finances, work on their future, and I am glad to do that.

The first week we came we started talking about the issues of student loans, the fact that more Americans are graduating from college in debt, unable to purchase a home or take part in the American dream. We also talked about the issues that were facing students in America here with the price of text books, which then also has an issue that is placed on the table of their parents are trying to make sure they come up with the in some cases $800 to $1,500 for text books on top of exploding tuition costs, which I must say is a student tax and a tax on the American people.

Last week, we talked about the cost of health care as it pertains to the young people having an opportunity to have adequate health care outside of going to the emergency room, for that level of health care that they so desperately need and is so very, very important that we have a health care plan here in the United States versus some sort of health care savings plan that the average American, that the administration is pushing that does not make as much sense as it should make to the average American.

We talked about voter suppression also last week, voter suppression on college campus, and we want to make sure we get the word out that it is important that students and parents of students, where your children are going to be on a college campus this fall, that they can register to vote there in that city, that town, wherever they go to school, because we had an issue and we still do to this day, individuals that are supervisors of elections that are saying, or the Secretary of State that is saying, well, you are a resident of Indiana, but you cannot register to vote at the University of Georgia. Well, you can.

The Supreme Court has already spoken to this issue, and so it is important that we get that out and we encourage many people who want to learn more about voter suppression to contact the Rock the Vote organization. On their Web site they have information pertaining to that issue.

We also want to continue to encourage people to e-mail us. We have received quite a few e-mails. I know we both will talk about it tonight. I am so excited about the fact that we are getting such a great response from the American people, young and old. And I will say some of these e-mails are really going to help us direct hopefully this House, if given the opportunity to lead in this House in the majority, to make sure that average Americans are heard. And I will talk a little bit about our Web site; I hope the gentleman would.

I also want to, as we did last week, I want to thank the gentlewoman from California (Ms. PELOSI), who is the Democratic leader in this House, for pulling us together, helping us realize the importance of young Americans, that we have a voice in this process, in this democracy and allowing us to be on the floor once a week to not only respond to e-mails but also share with the American people about what is going on.

Mr. RYAN of Ohio. Mr. Speaker, I thank the gentleman for taking a lead on this. He is quarterbacking tonight.

I think there are some great issues. Just so we know, we wonder sometimes when we stand on the floor how many people are out there watching. And I just got off the phone with my wife and she is changing from ''Law and Order'' to C-SPAN so that they can watch us here tonight. So we know we have a little bit of an audience out there. But, again, it is the Thirtysomething Democrats@mail.house.gov. And I have a stack of e-mails here that we have received since we started doing this, and it is amazing the response we are getting.

I think as we have talked about this, and it was not too long ago that we were in college and participating in a variety of activities there, and we felt that the political leadership was not engaging us. And I think that is something that the gentlewoman from California (Ms. PELOSI) has made it a point that as a Democratic Caucus we are going to go out and we are going to pay attention to what the needs of the students are. We recognize that they are the future of the country. We do not just want to pay them lip service. We want to make sure that we are there for them with the issues that they care about and on the issues they need us to be there for them.

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If we are going to continue to thrive as a democracy and country we are going to need to invest in our young people, and we cannot just say we are only going to take care of senior citizens. I think there is a responsibility there and we have a commitment there, but at the same time, we need to make sure that we let these young people know that we are committed to the issues they care about, we are committed to them, we want to see them get educated and see them recognize their own dreams, their own aspirations. In many instances, that is through a college education, period, end of story.

It is not the only thing you need but for a good many Americans, if you want to succeed, you have to do it by going and furthering your education.

So the question that we have here tonight is, are young people better off today, are students better off today than they were 4 years ago? I think if you look at the chart that we will put up and some of the statistics that we will talk about here today, it is clear that young people are not better off today than they were just 4 years ago.

In the past 4 years, the unemployment rate for people ages 16 to 24 has gone up 3.7 percent through the Department of Labor statistics. So there are thousands of kids who are young people who are out there trying to get jobs, trying to find work, and they cannot find work.

Then this is not so much off the subject, but I found this article today that I wanted to talk about and bring up today.

This is from San Jose, California, and the title of the article is Offshoring of U.S. Jobs Accelerating. We talk about how we have to educate our young kids. In every single trade agreement that we have passed, the commitment was we are going to continue to invest in education, K through 12, No Child